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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

SUSAN BITTER SMITH
BOB BURNS
BOB STUMP
DOUG LITTLE
TOM FORESE

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ARIZONA CORPORATION COMMISSION
DOCKET CONTROLArizona Corporation Commission
DOCKETED

JAN 16 2015

DOCKETED BY

IN THE MATTER OF THE APPLICATION OF
UTILITY SOURCE, LLC, AN ARIZONA
CORPORATION, FOR A DETERMINATION
OF THE FAIR VALUE OF ITS UTILITY
PLANTS AND PROPERTY AND FOR
INCREASES IN ITS CHARGES FOR UTILITY
SERVICE BASED THEREON.

DOCKET NO. WS-04235A-13-0331

MOTION TO COMPEL

ORIGINAL

Erik A. Nielsen (Intervenor) hereby brings this motion to compel Utility Source ("Company") to respond to Nielsen's Third and Forth Data Requests and to provide information on original costs of shallow wells as requested during the December 2, 2014 procedural hearing.

On October 10, 2014, Nielsen served Utility Source with its third set of data requests and on November 3, 2014 Nielsen served Utility Source with his fourth set of data requests. Upon submission of my forth data request I inquired about the outstanding status of my third data request and explicitly asked the company to notify me if they required additional time (See Attached Fourth Data request in Exhibit A). Furthermore during the procedural conference on December 2, 2014, I asked the Company attorney about the status of my data requests and was assured that they would be addressed promptly.

The specific outstanding data requested in Nielsen's October 10th, 2014 Third Data Request are as follows:

3.2 Billing/CR staff: Please provide details on services of Lydia Perry included under Billing/CR staff in the general ledger. What duties does she perform for the company?

3.3 Outside Services clarification: Please provide details on services of Jarod Phelps provided to the Company under Outside Services staff in the general ledger

1 **3.4 Misc Expense/Vehicle Allowance for Maryanne Perry:** During test year, please provide
2 information on the dates of trips made by Mary Ann Perry to Bellemont and for what purpose?

3 **3.5 Purchased Power- Late Fees:** 20 of the 48 APS bills provided in response to staff data request
4 were past due and had shutoff notices. The late fees associated with these bills total over \$824. Please
explain why these bills were not paid in full or on time?

5 **3.6 Customers:** Describe connections for the service to the trailer park/mobile home park to the east
6 of the Flagstaff Meadows subdivision that are listed in the general ledger. Are these both water and
wastewater services and if so how many individual connections? At what rate are these users billed?

7 **3.5 Wells and Springs in Service:** The ACC Staff Engineer testimony suggests that four shallow
8 wells were disconnected and not functioning at the time of his inspections. Please provide the dates
9 that these wells were disconnected from the Utility Source water system.

10 **3.6 Wells and Springs :** Please provide details for why these shallow wells were disconnected from
11 the Utility Source water system? Does the company intend to use these wells in the future or are they
now abandoned?

12 **3.7 Previous studies:** Mr. McCleve, in his rebuttal testimony, asserts that the company enlisted
13 geological studies prior to drilling deep wells #1 and #2. Please provide electronic copies of these
studies received by the Company.

14 **3.8 Interruption of Service:** Please provide evidence of notification to ACC of service outages
15 between the test year and current year.

16 **3.9 Main extension agreements:** Please provide copies of ANY main extension agreements that the
17 Company has entered into with any other party.

18 **3.10 Estimated Meter Readings:** 1.5 first data request asked for Utility Source for formal policies
19 for how estimated meter readings are adjusted in subsequent month's bills. Please respond if the
company has such policies and if so please provide copies of such policies.

20 **3.11 Estimated meter readings:** In the response to Nielsen data request 1.5 the Company asserts that
21 estimated meter readings are made on a meter-by-meter basis. Does the company maintain a record
of what meters are estimated each month? If so please share this record.

22 **3.12 Billing statements and estimated meter readings:** When a meter is not read but estimated,
23 does the company indicate this on the billing statement? If so please provide a copy of an actual bill
24 where this is would be evident to the consumer.

25 **3.13 Land valuation:** Please describe how original cost land values for listed land in plant in service
were determined and if available provide supporting evidence for this valuation.

26 **3.14 Telephone/Internet Expenses:** Please provide documentation (bills) from Verizon, Quest,
27 At&T and NTS to reconcile with Misc expenses (Telephone and Internet) recorded for the water and
28 wastewater divisions.

1 The specific outstanding data requested in Nielsen's November 3, 2014 Fourth Data Request are as
2 follows:

3
4 **4.1** Did Empire Companies pay for any portion of the costs for Water and Wastewater extensions,
5 connections, hydrants, manholes to service the Townhomes at Flagstaff Meadows subdivision? If so
6 please describe the value of their contribution.

7 **4.2** Did Empire Companies pay for any portion of the costs for Water and Wastewater extensions,
8 connections, hydrants, manholes to service Flag Meadows Unit II subdivision? If so please provide
9 the value of their contribution.

10 **4.3 Land and Land Rights:** In the response to Nielsen's data request 2.4 regarding original cost of
11 land for water and wastewater divisions the Company responded that "The water company land cost
12 \$210,000. The wastewater company land cost \$105,000. These costs have not changed." However
13 this answer did not respond to my request for data supporting this plant in service value.

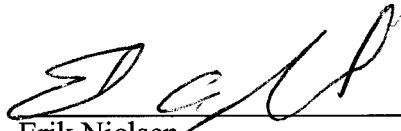
14 Please provide copies land deeds and affidavits of property value for these lands that reconcile
15 with the cost of water and wastewater land listed as plant in service.

16 **4.4 Wells and Springs.** Given the gallons per day (GPD) average demand for the water system in
17 2012, could the demand be met using just Deep Well #3 and the shallow wells with as a backup? If
18 the answer is no please explain why the wells above could not meet the existing consumer demand.

19 These data are necessary for all parties to understand and analyze the nature of prior
20 contributions, plant in service values, questions of excess capacity, operational expenses, prudent
21 investments, customer policies and compliance with ACC rules. I feel that as a consumer and an
22 intervenor these data should be available to all parties and are absolutely necessary to arrive at a just
23 and reasonable decision in this rate case. As some of these specific data requests indicate, the
24 company has been less than forthcoming in providing details or documentation in previous
25 responses.

26 Since these data requests have been outstanding for over 3 and 2 months respectively, I ask
27 that the Company be compelled to produce complete responses to these information requests such
28 that all parties have sufficient time to review them prior to the hearing. I am not seeking a change in
the current procedural schedule but I am placing the company on notice such a request may be made
if the Company continues to be uncooperative with these data requests.

1 RESPECTFULLY SUBMITTED this 14 day of January, 2014.

2
3 
4 Erik Nielsen
5 4680 N. Alpine Drive
6 P.O. Box 16020
7 Bellemont, Arizona 85015

8 **Original and thirteen (13) copies of**
9 **the foregoing filed this 14 day of**
10 **January, 2014, with:**

11 Docket Control
12 Arizona Corporation Commission
13 1200 West Washington Street
14 Phoenix, Arizona 85007

15 **Copy of the foregoing mailed this**
16 **14 day of January, 2014, to:**

17 Steve Wene, Esq.
18 MOYES SELLERS & HENDRICKS, LTD.
19 1850 North Central Avenue, Suite 1100
20 Phoenix, Arizona 85004
21 swene@law-msh.com
22 Attorneys for Utility Source, LLC

23 Wes Van Cleve
24 Matthew Laudone
25 Legal Division
26 Arizona Corporation Commission
27 120 West Washington
28 Phoenix, AZ 85007

Daniel Pozefsky
Residential Utility Consumer Office
1110 West Washington St., Suite 220
Phoenix, Arizona 85007

Terry Fallon
4561 Bellemont Springs Drive
Bellemont, Arizona 85015

25
26
27 By: 
28 Erik A. Nielsen

Exhibit A

October 9, 2014

Steve Wene, Esq.
MOYES SELLERS & HENDRICKS, LTD
1850 North Central Avenue, Suite 1100
Phoenix, AZ 85004

RE: Erik Nielsen, Intervenor, Third set of Data Requests to Utility Source L.L.C.
Docket No. WS-04235A-13-03-31

Dear Mr. Wene:

As an intervenor in the Utility Source Rate case I would like to make my Third data request to Utility Source LLC in the matter of Docket No. WS-04234A-13-0331. For the purposes of this data request, the words "Utility Source", "Company", "you" and "your" refer to Utility Source LLC and any representative, including every person and/or entity acting currently or historically with, under the control of, or on behalf of Utility Source LLC. **For each answer please identify by name, title, and address each person providing information that forms the basis for the response provided.**

These data requests are continuing and your answers or any documents supplied in response to the data request should be supplemented with any information or documents that come to your attention after you have provided your initial responses. **Please respond within 10 calendar days** of your receipt of the copy of this letter. If you require additional time, please let me know.

Please provide one hard copy as well as searchable PDF, DOC or Excel files (via e-mail or electronic media) of the requested data directly to:

Erik Nielsen, Intervenor, PO Box 16020, Bellemont, AZ 86016, Nielsen_e@yahoo.com

Sincerely,



Erik A. Nielsen

Cc: Robert Mease, RUCO (via email only)
Rim Coley, RUCO (via email only)
Terry Fallon (via email only)
Jorn Keller, ACC Utilities Division (via email only)

UTILITY SOURCE, LLC

Docket No. WS-04235A-14-0331

Rate Application

Erik Nielsen's Third Set Of Data Requests

3.1 Misc. Expenses in General Ledger for 2012 test year: Please provide supporting evidence for SRP misc. expenses utilities to support and reconcile the \$12,040 listed in the test year general ledger.

3.2 Billing/CR staff: Please provide details on services of Lydia Perry included under Billing/CR staff in the general ledger. What duties does she perform for the company?

3.3 Outside Services clarification: Please provide details on services of Jarod Phelps provided to the Company under Outside Services staff in the general ledger

3.4 Misc Expense/Vehicle Allowance for Maryanne Perry: During test year, please provide information on the dates of trips made by Mary Ann Perry to Bellemont and for what purpose?

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3.14 Telephone/Internet Expenses: Please provide documentation (bills) from Verizon, Quest, At&T and NTS to reconcile with Misc expenses (Telephone and Internet) recorded for the water and wastewater divisions.

3.15 Intervenor and ACC staff Data Requests: Please provide copies of the questions and responses of all data requests by the ACC staff and other intervenors.

November 3, 2014

Steve Wene, Esq.
MOYES SELLERS & HENDRICKS, LTD
1850 North Central Avenue, Suite 1100
Phoenix, AZ 85004

RE: Erik Nielsen, Intervenor, Fourth set of Data Requests to Utility Source L.L.C.
Docket No. WS-04235A-13-03-31

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These data requests are continuing and your answers or any documents supplied in response to the data request should be supplemented with any information or documents that come to your attention after you have provided your initial responses. **Please respond within 10 calendar days** of your receipt of the copy of this letter. If you require additional time, please let me know.

Please provide one hard copy as well as searchable PDF, DOC or Excel files (via e-mail or electronic media) of the requested data directly to:

Erik Nielsen, Intervenor, PO Box 16020, Bellemont, AZ 86016, Nielsen_e@yahoo.com

Finally, I would also like to inquire about the status of my Third Data request that was submitted on October 9th.

Sincerely,

Erik A. Nielsen

Cc: Robert Mease, RUCO (via email only)
Jeffrey Milcheck, RUCO (via email only)
Tim Coley, RUCO (via email only)
Terry Fallon (via email only)
Jorn Keller, ACC Utilities Division (via email only)

UTILITY SOURCE, LLC

Docket No. WS-04235A-14-0331

Rate Application

Erik Nielsen's Fourth Set Of Data Requests

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